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The 1964

Voluntary

Wheat Program

SEP 1 - 1964

CURRENT SERIAL RECORDS

President Johnson recently signed into law a new voluntary wheat program designed to help maintain the income of wheat farmers.

The new program offers to wheat producers who participate:

- Payments for diverting wheat acres to conservation uses.
- Price support through loans and purchases.
- Cashable certificates for wheat to be consumed domestically.
- Cashable certificates for wheat to be sold for export.

As a wheat producer you may take part in the program or not, as you choose.

Winter wheat producers who seeded wheat last fall, as well as spring wheat producers, may participate.

Since the program is voluntary, you will need to sign an application and agreement if you want to take part in the program. There is no automatic participation.

Here is the voluntary wheat certificate program for 1964:

1. Farm allotment and normal yield. Your 1964 wheat allotment and farm normal yield are those issued prior to the marketing quota referendum for the 1964 wheat crop in May 1963.

2. Diversion of acreage from wheat. If you produce an acreage of wheat within your farm allotment and devote an acreage equal to 11.11 percent of your allotment to conserving uses (in addition to the farm's normal conserving acreage), that percent of your acreage will be classified as acreage diverted from wheat.

3. Farm conservation base. A farm conservation base has been established for each wheat-producing farm. That base is the usual acreage on the farm devoted to conservation crops and uses. Participation in the 1964 wheat program

will mean maintaining in conservation uses the number of acres in your farm's conservation base along with the acreage you divert from wheat to conserving uses.

4. Approved conservation uses. In general, the approved conservation uses for diverted acreage include:

- a. Permanent-type or rotation cover of grasses and legumes.
- b. Temporary cover of grasses and legumes.
- c. Wildlife food and habitat plantings.
- d. Trees and shrubs.
- e. Other conservation uses.

A list of approved conservation uses is available in your ASC county office and will be given to each participant. On diverted acres, control of erosion, weeds, rodents, and insects is a responsibility of the producer.

5. Additional diversion. As a participating wheat grower, you may divert additional acres from your wheat allotment equal to not more than 20 percent of your farm wheat allotment. (On farms where 20 percent of the wheat allotment is less than 15 acres, the total diversion may be 15 acres—including the minimum diversion.)

6. Diversion payment. The diversion payment per acre for your farm is 20 percent of the county loan rate per bushel, multiplied by the normal yield per acre of wheat for your farm. The national average loan rate is \$1.30 a bushel. You will be eligible for a diversion payment if you divert to conservation uses as many acres as you indicated in the "Intention to Participate" form at the time of signing up and carry out other program provisions.

7. Substitute crops. You may plant part or all of the acreage diverted from wheat in 1964 to crops approved as "substitute crops" for conservation use. If you plant a substitute crop on your diverted acres, the diversion payment on the acreage used for the substitute will be a percentage of the payment you would otherwise have received. The approved crops and the percentages of payment are as follows: Castor beans, 50 percent; guar, 50 percent; sesame, 50 percent; safflower, no diversion payment; and sunflower, 30 percent.

E R R A T A

PA 618, THE 1964 VOLUNTARY WHEAT PROGRAM

Substitute the following wording for paragraph marked "8", on page 3:

8. Eligibility for price-support loans and marketing certificates. You will be eligible for a price-support loan (or purchase), based on the national average of \$1.30 per bushel, if the wheat acreage on your farm is within the farm allotment. You will be eligible for marketing certificates (described below) if you sign up to take part in the wheat program and (a) produce within your farm wheat allotment, (b) keep within your allotments for any other crops on the farm (feed grains are not allotment crops), (c) meet the program's conservation-use provisions on the participating farm, and (d) produce within the wheat allotment on any other farm in which you have an interest.

8. **Eligibility for price-support loans and certificates.** If you sign up and (a) produce within your farm wheat allotment, (b) keep within your farm allotments for any other crops (feed grains are not allotment crops), (c) produce within the wheat allotment on any other farm in which you have an interest, and (d) meet the program's conservation-use provisions, you will be eligible for price-support loans and certificates. Price-support loans will be based on a national average loan rate of \$1.30 per bushel.

9. **Farm wheat marketing allocation.** The wheat marketing allocation for your farm is 90 percent of the normal production of your farm wheat allotment. This is your farm's share of the 1964 national wheat marketing allocation for domestic food consumption and exports. The marketing certificates issued cannot exceed the farm marketing allocation but may be less (see next section).

10. **Wheat marketing certificates.** Two classes of marketing certificates will be issued to eligible producers:

- a. Domestic marketing certificates for the part (45 percent) of the normal production of the farm wheat allotment representing food products for consumption in the United States, and
- b. Export marketing certificates for the part (45 percent) of the normal production of the farm wheat allotment to be exported.

The certificates will have a "cash value" in addition to the sale price or the price-support loan value of the wheat. Domestic marketing certificates will have a value of 70 cents a bushel. Export marketing certificates will have a value of 25 cents a bushel.

Wheat marketing certificates will be issued for an amount of wheat equal to 90 percent of the normal production of your wheat allotment if this amount is not more than the normal production of the wheat acreage actually planted for harvest on your farm. (The normal yield determined for your farm by the ASC county committee is used in this calculation, not the actual yield.) If the amount produced exceeds the normal production of the planted acreage, you would have some wheat for which no certificates would be available.

If the acreage of wheat you plant for harvest multiplied by the normal yield per acre for your farm is less than 90 percent of the normal production of your wheat allotment, any reduction in the certificates issued will be made, as far as possible, in the amount of export certificates.

However, the amount of certificates you would otherwise have received will not be reduced if your wheat yield is lower than normal because of bad weather or other unavoidable causes.

Suppose your farm wheat allotment is 90 acres and your normal yield is 20 bushels to the acre; the normal production of your farm allotment is 1800 bushels.

If you plant at least 81 acres (90 percent of your wheat allotment), you would be eligible for certificates for 1620 bushels (81 acres times 20 bushels)—810 bushels in domestic (45 percent times 1800 bushels) and 810 bushels in export (45 percent times 1800 bushels). If your yield is below normal because of bad weather—say, 15 bushels to the acre—you would produce only 1215 bushels (81 acres times 15 bushels), but you would still receive certificates for the full 1620 bushels (half in domestic and half in export).

If you plant *less* than 90 percent of your wheat allotment—say, 60 acres—you would be eligible for certificates for 1200 bushels (60 acres times 20 bushels). In this case, you would receive domestic certificates for 810 bushels (the full amount available), but your export certificates would be reduced to 390 bushels (1200 bushels minus 810 bushels). If your yield is only 15 bushels to the acre—below normal—you would still receive certificates for 1200 bushels (the normal production from the acreage you planted for harvest) even though your actual production was only 900 bushels (60 acres times 15 bushels).

11. Handling the certificates. You may redeem your certificates for cash at the ASC county office. The Commodity Credit Corporation will then resell the certificates to flour millers and other processors who will need domestic marketing certificates for the amount of wheat they mill or process for domestic food consumption. Likewise, exporters will need export marketing certificates for the amount of wheat they export. The necessary export certificates may be purchased from the Commodity Credit Corporation.

12. Signup period. The signup period for the 1964 voluntary wheat program will extend through May 15, 1964.

For additional details, see your ASC county committee.